

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LIMA 03760 092103Z

ACTION ARA-10

INFO OCT-01 ISO-00 L-03 EB-07 COME-00 FEA-01 ERDA-05

AID-05 CEA-01 CIAE-00 EPG-02 DODE-00 FPC-01 H-01

INR-07 INT-05 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /100 W

-----092107Z 101750 /64

P 091908Z MAY 77

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 4722

LIMITED OFFICIAL USE LIMA 3760

E.O. 11652: N/A

TAGS: BDIS, EINV, ENRG, PE

SUBJECT: GULF: DECREE LAW REPORTEDLY READY FOR COUNCIL  
OF MINISTERS

REF: STEIN/FULLER TELCON, MAY 6

1. ECON OFF WAS IN ALMOST DAILY CONTACT WITH FINANCE AND  
FOREIGN MINISTRY OFFICIALS OVER COURSE OF LAST WEEK IN EFFORT  
TO HAVE DRAFT DECREE LAW PLACED ON AGENDA OF NEXT COUNCIL  
OF MINISTERS' MEETING, NOW SCHEDULED FOR WEDNESDAY MAY 11.  
PRINCIPLA CONTACT HAS BEEN FINANCE MINISTRY LAWYER WHO WAS  
INVOLVED IN DRAFTING DECREE LAW AND WHO IS ABSENCE OF VICE  
MINISTER HAS BEEN COORDINATING MINISTRY'S ACTIVITIES IN CASE.  
HE INFORMED US ON MAY 6 THAT DRAFT HAS RECEIVED CLEARANCE  
FROM ENERGY AND FOREIGN MINISTRIES AND THAT THERE  
IS NOTHING ELSE THAT SHOULD DELAY DRAFT DECREE FROM  
GOING FORWARD TO COUNCIL. (APPARENTLY FINANCE AND  
FOREIGN MINISTRIES CONVINCED HIGHER AUTHORITIES THAT  
THERE WAS NO NEED TO OBTAIN CLEARANCES FROM ALL THE  
OTHER MINISTRIES, A CUSTOMARY PROCEDURE THAT COULD  
HAVE CAUSED SEVERAL MORE WEEKS DELAY.)

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 03760 092103Z

2. THE FOLLOWING CHANGES HAVE BEEN MADE IN DRAFT DECREE  
LAW POUCHED IN FEBRUARY TO ARA/AND:

A. FIRST INTRODUCTORY PARAGRAPH HAS BEEN MADE INTO  
TWO PARAGRAPHS:

QUOTE: QUE POR DECRETO LEY 21144 DE 13 DE MAYO

DE 1975 SE CANCELO DEFINITIVAMENTE TODA OPERACION  
DE GULF OIL CORPORATION Y DE GULF DEL PERU S.A.,  
DENTRO DEL TERRITORIO NACIONAL, DISPONIENDOSE LA EXPROPRIACION  
DE TODOS LOS BIENES DE GULF DEL PERU S.A. EN EL  
TERRITORIO PERUANO;

QUE POR RESOLUCION MINISTERIAL NO. (BLANK) DE FECHA (BLANK)  
SE APROBO LA VALORIZACION DE TODOS LOS BIENES DE GULF DEL  
PERU S.A., AL EFECTO DE SEGUIR EL RESPECTIVO PROCEDIMIENTO  
DE EXPROPRIACION; END QUOTE

B. FORMER SECOND AND THIRD PARAGRAPHS HAVE BEEN  
COMBINED IN ONE PARAGRAPH WHICH READS:

QUOTE. QUE LA GULF OIL CORPORATION, LA GULF  
AGRICULTURAL CHEMICALS COMPANY LIMITED Y LA GULF OIL TRADING  
COMPANY, EX-ACCIONISTAS DE GULF DEL PERU S.A., NO TIENEN  
OBLIGACIONES TRIBUTARIAS NI RECLAMACIONES DERIVADAS DE LAS  
ACTIVIDADES DE GULF DEL PERU S.A. Y QUE, CONSECUTAMENTE,  
DEBE PAGARSE A QUIENES ERAN PROPIETARIOS DE LAS ACCIONES DE LA  
MENCIONADA EMPRESA EL MONTO DE LA COMPENSACION CORRESPONDIENTE A  
LOS BIENES SUJETOS A EXPROPRIACION Y ADJUDICADOS A PETROLEOS DEL  
PERU QUIEN HA ASUMIDO ACTIVO Y PASIVO, DERECHOS Y OBLIGACIONES  
DE LA MENCIONADA EMPRESA; END QUOTE.

3. REMAINDER OF TEXT OF DECREE LAW DRAFT IS UNCHANGED.

4. LATE AFTERNOON MAY 6 GULF LAWYER BRUCE MENKE TELEPHONED  
ECON OFF FROM CORAL GABLES AND REQUESTED ECON OFF TO READ HIM  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LIMA 03760 092103Z

THESE CHANGES. AFTER HEARING THEM, MENKE EXPRESSED INITIAL  
CONCERN THAT NEW DRAFT LEFT GULF DEL PERU OPEN TO FURTHER  
TAX CLAIMS AND PREMATURELY TERMINATES GULF'S CLAIMS AGAINST  
GOP BEFORE COMPENSATION PAYMENT IS MADE. HOWEVER, AFTER  
CONSULTING WITH GULF STAFF IN CORAL GABLES MENKE INFORMED ECON  
OFF AM MONDAY MAY 9 THAT GULF WOULD ACCEPT DRAFT LAW WITH  
ABOVE CHANGES. (IN INTERIM ECON OFF SPOKE WITH  
FINANCE MINISTRY LAWYER WHO ASSURED HIM THAT GOP WAS NOT  
TRYING TO CREATE LOOPHOLE VIA THE CHANGES IN TEXT.)  
DEAN

LIMITED OFFICIAL USE

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LAW, COMPENSATION, NATIONALIZATION, AMENDMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 09-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977LIMA03760  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770163-0168  
**Format:** TEL  
**From:** LIMA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770579/aaaacqio.tel  
**Line Count:** 107  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** b27b4698-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 04-Apr-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2598138  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GULF: DECREE LAW REPORTEDLY READY FOR COUNCIL OF MINISTERS  
**TAGS:** BDIS, EINV, ENRG, PGOV, PE, GULF OIL CORP  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/b27b4698-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009